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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20278-0001

MARKET TEST OF EXPERIMENTAL PRODUCT – USPS CONNECT LOCAL MAIL

Docket No. MT2022-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S INFORMATION REQUEST NO. 2

(December 10, 2021)

The Postal Service hereby responds to Chairman's Information Request No. 2, issued on December 3, 2021. Each question is stated verbatim and is followed by the response.

Respectfully submitted,
UNITED STATES POSTAL SERVICE

By its attorneys:

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1. Please see Attachment, filed under seal

RESPONSE:

This information has been filed under seal in USPS-MT2022-1-NP2.

2. The Postal Service states that "Priority Mail flats was selected as the most appropriate proxy because unlike First-Class Mail flats, USPS Connect Local Mail will receive tracking scans and thus the mail processing and delivery procedures will be more similar to those of Priority Mail flats rather than First-Class flats, which do not receive tracking scans." Please identify how many tracking scans a Priority Mail flat receives if it has an origin and destination served by the same delivery unit, and at what stages the scans occur.

RESPONSE:

Priority Mail flats will be sent to other facilities for sortation and processing. For this reason, they receive several scans including acceptance, processing, arrival, and delivery scans.

If the piece came over a retail counter, the expected scan count would be seven (7):

- 1. Accepted
- 2. Depart Post Office
- 3. Arrive USPS Facility
- 4. Processed through USPS Facility
- 5. Depart USPS Facility
- 6. Arrival at Unit
- 7. Out for Delivery

3. Please refer to the Response to CIR No. 1, question 4, in which the Postal Service lists four alternative service options to USPS Connect Local Mail. Please describe in detail any differences in the service provided between these alternative service options and USPS Connect Local Mail

RESPONSE:

As we pointed out in our response to CHIR 1 Question 2e, a straightforward comparison between those alternative service options and USPS Connect Local Mail is not possible because of significant variations even within a certain service option. Examples include price for distances traveled, pick-up options, tracking options that range from real-time to a set number of scans, and available add-on features like insurance or guarantees. For USPS Connect Local, a customer must prepare the mailing and prepay in Click-N-Ship. Next, the mailer must either take the envelope to the DDU or have it picked-up as Line-of-Travel. The mailer can see an acceptance and a delivery scan through Click-N-Ship. The mailer cannot buy additional services like insurance nor is the service guaranteed. With respect to delivery time, the mailer will either receive same-day delivery if the item was tendered to the delivery between 5 a.m. and 7 a.m. or receive next-day delivery if the Postal Service accepted the item after 7 a.m.

4. The Postal Service confirms that mailers who choose to send USPS Connect Local Mail by Carrier Pick-Up in line-of-travel will not be charged a Carrier Pick-Up fee in addition to the proposed pricing of \$2.95. Response to CIR No. 1, question 2.c. Please provide an estimate of the potential revenue loss derived from not collecting the existing Carrier Pick-Up fee.

RESPONSE:

There is currently no fee assessed for line-of-travel Carrier Pickup for mail. Therefore, there is no potential for revenue loss attributable to the Carrier Pick-Up fee.